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Intelligence Confirmed Billy Got Libyan Money

White House Drafting Statement

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U.S. intelligence sources reported early this spring that the Libyan government was trying to acquire influence with the Carter administration "across the board," government officials said yesterday.

Those reports did not come with any names attached to them, but, according to one source, it was also from U.S. intelligence operatives that the Justice Department subsequently picked up "hints" and then confirmation that Billy Carter had been receiving money from the Libyans.

The confirmation came on June 2 when the Justice Department learned that the president's brother had been paid $220,000 by the Libyan government. The payments —$20,000 in January and $200,000 in April—were publicly disclosed last week when Billy Carter was forced to register as a foreign agent.

Both Justice Department and FBI officials refused to comment yesterday on how they learned that the payments had been made.

It was learned last night, however, that the White House is preparing a detailed statement on the Billy Carter imbroglio for public release, perhaps as early as today. It will reportedly include the White House version of all its dealings with Billy Carter, including his meetings June 11 with National Security Adviser Zbigniew Brzezinski and White House counsel Lloyd Cutler.

Carter arranged for the meeting with Brzezinski the day before, on June 10, while Justice Department investigators were still working under tight secrecy on their inquiry into Carter's dealings with the Libyans.

Several sources pointed out that FBI counterintelligence agents undoubtedly maintained "extensive coverage" of Libyan activities in this country, especially since the expulsion of a number of Libyan diplomats in April and early May for an alleged campaign of intimidation against opponents of Col. Muammar Qaddafi.

In a speech in early April, Qaddafi publicly called for the assassination of opponents of his revolution who were living abroad.

According to one knowledgeable U.S. official, FBI counterintelligence reports are not routinely circulated among U.S. intelligence agencies, but are instead sent only to appropriate officials at the Justice Department and sometimes the National Security Council and the State Department.

Some government officials have reportedly voiced suspicions that someone warned Billy Carter early last month of the Justice Department's progress in the case.

In any event, on June 10, Carter sought a meeting for the next day with Justice Department lawyers to check on the status of his case, something he had not done before during the course of the 18-month inquiry.

National Security Council spokesman Alfred Friendly Jr. said Carter also called on June 10 to ask for a meeting with Brzezinski at the White House. Friendly said Carter did not say why he wanted to see Brzezinski.

On June 11, Carter went to the Justice Department first and acknowledged receiving the $220,000 which he has since publicly described as installments on a promised $500,000 loan from the Libyans. Then he went to the White House to see Brzezinski, who sent him to Cutler. Cutler has said he learned that Carter was under Justice Department "interrogation" and recommended that he hire Washington attorney Stephen Pollak to represent him.

Carter could not be reached for comment yesterday on what prompted him to check on the status of his case or confer with Brzezinski.

For their part, the Libyans have supported Carter's claims that they simply loaned him the money and that no wrongdoing was involved.

At a July 15 press conference in Nicosia, Libyan Foreign Minister Ali Turyaki said that his government established relations with the president's brother to maintain contact with the American people and to tell the United States that its Middle East policies are "erroneous."

"We are trying to inform the American people of the erroneous politics of their government towards the Middle East, and the contact with Billy Carter enters into this context," Turyaki said, according to a dispatch by Agence France-Presse.

He added that Libya "maintains contacts with a good many Americans to inform the American people of the real situation in the Middle East."

The payments to Carter in January and April both followed visits to Tripoli by his business associate, Henry R. (Randy) Coleman of Plains, Ga.

A Justice Department spokesman said yesterday that Coleman has been notified that he, too, will have to register as a foreign agent and that he has agreed to do so within a few days. Officials doubted, however, that he will be required to be any more explicit about his activities than Carter has been.

His trips at the expense of the Libyans, a 13-day visit in late December and early January and a three-week stay in March, were simply listed in Carter's statement as having been undertaken "in response to invitation."

Despite the $220,000 payments, no loan agreement between Carter and the Libyans has been executed.

The questions raised by Carter's dealings with the Libyans have given rise to a round of calls by Senate Republicans for a congressional investigation. Sen. Bob Dole (R-Kan.) has charged that the arrangement seems to be "a clear case of influence peddling" and called on President Carter to "go public with the entire story."

Responding to a request from Dole, Sen. Edward M. Kennedy (D-Mass.), chairman of the Senate Judiciary Committee, said through a spokesman that the committee will consider the matter at a meeting scheduled for Wednesday.

Dole, a member of the committee, wants it to require Attorney General Benjamin R. Civiletti to turn over "all relevant documents and information concerning Mr. Carter's failure to properly register as an agent for the Libyan government." In a separate letter to Civiletti, Dole said a prompt response would "serve to. . .avoid the possibility of extensive Judiciary Committee hearings."

Dole has raised the question of whether the White House played any role in the decision not to prosecute the president's brother. Justice Department officials, however, have insisted that this decision was made "at a fairly low level" and without any serious dissension.

Billy Carter has always contended that he should not have had to register under the foreign agent act and did so only reluctantly.

At the Judiciary Committee meeting Wednesday, Sen. Dennis DeConcini (D-Ariz.) is also expected to seek approval of a resolution giving his subcommittee on judicial machinery jurisdiction over a proposed investigation into alleged connections between fugitive financier Robert Vesco and the Carter administration, some of them reportedly involving Libya.

The initial intelligence reports concerning Libyan plans to gain influence "across the board" came around March and apparently received routine circulation within the U.S. intelligence community, officials said. They said that it was "not that unusual for foreign embassies to be doing that."

Justice Department officials said the first word that Billy Carter was getting payments came to them in late May and was nailed down to their satisfaction on June 2.

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